

STATE OF ILLINOIS



ILLINOIS COMMERCE COMMISSION

Office of General Counsel

DOCKET FILE COPY ORIGINAL

August 31, 2001

Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12th Street S.W., Room TW-B204
Washington DC 20554

RECEIVED
SEP 4 2001
FCC MAIL ROOM

**Re: Verizon Request to Eliminate Illinois Reporting Requirements from the
Federal Carrier-to-Carrier Performance Assurance Plan
(CC Docket No. 98-184)**

Dear Secretary Salas:

On August 1, 2001, the Commission released a Public Notice¹ in the above-captioned matter. The Commission specifically sought comment on a Verizon proposal requesting that Illinois, Ohio and Pennsylvania be removed from the federal Carrier-to-Carrier Performance Plan ("Plan"). In response to the Public Notice and in accordance with Section 1.51(c) of the Commission's rules, 47 C.F.R. §1.51(c), the Illinois Commerce Commission ("ICC") submits its Initial Comments for inclusion in the public record.

The *Bell Atlantic/GTE Merger Order* required Verizon Communications, Inc. ("Verizon") to report certain performance measurements designed to help the Commission and the public to assess Verizon's progress in opening its local network to competition.² These measurements cover elements of Verizon's operations and operations support systems that are integral to providing service to competitive local exchange carriers, including pre-ordering, ordering, provisioning, maintenance and repair, network performance, and billing functions.

The Commission's Merger Order further deemed the Carrier-to-Carrier Performance Plan effective in each state until the earlier of: (i) 36 months after Verizon's obligation to make payments starts; (ii) the date on which Verizon receives section 271 authority in a particular state; or (iii) the effective date of a comprehensive performance plan adopted by a state commission.³

¹ *Common Carrier Bureau Seeks Comment on Proposed Change to Verizon's Merger Performance Plan*, CC Docket No. 98-184, Public Notice, DA 01-1790 (August 01, 2001)("Public Notice").

² Applications of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License, CC Docket No. 98-184, *Memorandum Opinion and Order*, 15 FCC Rcd 14032, Appendix D, Attachment A (2000) ("*Bell Atlantic/GTE Merger Order*" or "*Merger Order*").

³ See, *Bell Atlantic/GTE Merger Order* at Appendix D, ¶ 17.

No. of Copies rec'd 074
DATE SEP 4 2001

In two separate filings made with the Commission on July 17 and 19, 2001, Verizon has requested the Commission's approval to remove Illinois from the federal Carrier-to-Carrier Performance Plan.⁴ According to Verizon, the Commission should not require Verizon to report performance data to the Commission nor make voluntary payments to the United States Treasury for its performance in Illinois because the ICC has adopted a performance reporting plan that is comprehensive.

Under the merger conditions imposed by the Commission, the Chief of the Common Carrier Bureau shall determine whether a state-approved performance reporting requirement is "comprehensive" for purposes of the *Bell Atlantic/GTE Merger Order*. Specifically, the Commission noted as follows:

The Common Carrier Bureau Chief shall determine whether a state-approved performance reporting and enforcement mechanism is "comprehensive" for the purpose of this Section. A state-approved mechanism may be determined not to be "comprehensive" if, for example, it omits a particular measurement or category of measurements deemed important by the Common Carrier Bureau Chief. The Common Carrier Bureau Chief may decide to retain part of the reporting and penalty obligations associated with these Merger Conditions where a state-approved mechanism is determined not to be comprehensive.⁵

The ICC believes the Performance and Remedy Plan adopted for Verizon in Illinois is comprehensive and, therefore, supports Verizon's request in this proceeding. The ICC entered an order approving the merger between Bell Atlantic and GTE on October 29, 1999.⁶ Condition 2 of the ICC's Order directed Verizon to enter into a collaborative process with the Commission and CLECs for purposes of tailoring Verizon's proposed OSS measurement, reporting and incentive plan to Illinois' needs.⁷ The plan eventually adopted at the conclusion of the collaborative process in Illinois was based on California Public Utilities Commission's performance plan, similar to the Commission's carrier-to-carrier performance plan for former GTE service areas.⁸ The Performance plan adopted in Illinois is uniquely tailored to provide

⁴ See, Letters from Dee May, Executive Director, Federal Regulatory, Verizon, to Dorothy Attwood, Chief, Common Carrier Bureau, Federal Communications Commission (July 17 and 19, 2001). In addition to Illinois, Verizon also requested that Ohio and Pennsylvania be removed from the Plan. The ICC's comments, however, are limited to Verizon's request as it pertains to Illinois.

⁵ See, *Bell Atlantic/GTE Merger Order* at Appendix D, at 33, ¶17, n.60.

⁶ Order, *GTE Corporation and Bell Atlantic Corporation, Joint Application for the Approval of a Corporate Reorganization Involving a Merger of GTE Corporation and Bell Atlantic Corporation*, ICC Docket No. 98-0866, r (Oct. 29, 1999) ("ICC Merger Order").

⁷ See, *ICC Merger Order* at 43.

⁸ See, the ICC's BA/GTE Merger Condition #2 website at <http://www.icc.state.il.us/icc/tc/bg.asp>.

Page 3
August 31, 2001

information on Verizon's progress in opening its local network to competition. The reporting requirements eventually adopted represent efficient enhancements to those under the California plan and create sufficient financial incentives for Verizon to provide a higher level of performance in Illinois.

For all the aforementioned reasons, the ICC respectfully requests that the Commission rule on the Public Notice in accordance with the Illinois Commerce Commission's aforesated recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Myra Karegianes', written over a horizontal line.

Myra Karegianes
General Counsel and
Special Assistant Attorney General

Sarah A. Naumer
Thomas G. Aridas
Special Assistant Attorneys General
160 N. LaSalle, Suite C-800
Chicago, Illinois 60601
(312) 793-2877

Counsel for the
Illinois Commerce Commission

cc:

Hon. Chairman Michael K. Powell
Hon. Comm. Gloria Tistani
Hon. Comm. Kathleen Q. Abernathy
Hon. Comm. Michael J. Copps
Hon. Comm. Kevin J. Martin
Mark Stone, FCC Accounting Safeguards Division